

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

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In the Matter of the Application of )  
ExteNet Systems, Inc. )  
For a Certificate of Public Convenience )  
and Necessity to Provide Resold and )  
Facilities-Based Local Exchange and )  
Interexchange Telecommunication Services )  
in the State of South Carolina, and for )  
Flexible Regulation )

MOTION FOR PROTECTIVE TREATMENT AND  
BASIS FOR FILING EXHIBIT C AS TRADE SECRET

I. Introduction

ExteNet Systems, Inc., ("ExteNet" or "Applicant"), by its undersigned counsel and pursuant to S.C. Code Ann. § 39-8-10, *et seq.* and Commission Order No. 2005-226 and all other applicable rules, statutes and regulations, hereby files this Motion for Protective Treatment ("Motion") in the above-captioned proceeding. By this Motion, the Applicant seeks protective treatment by the Public Service Commission of South Carolina ("Commission") of certain commercially sensitive financial statements filed as a trade secret and attached as *Exhibit C* to the Application of ExteNet for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange and Interexchange Telecommunication Services in the State of South Carolina, and for Flexible Regulation ("Application"). Because this motion is an inseparable part of

the Application, it is being filed concurrently with the Application.

ExteNet provides the following information:

1. The exact legal name, address, telephone number, and facsimile number of the Applicant are

ExteNet Systems, Inc.  
1901 S. Meyers Rd, Suite 190  
Oakbrook Terrace, IL 60181  
Telephone: (630) 932-2900  
Facsimile: (630) 932-2907

2. Correspondence or communications regarding this Motion should be addressed to

Bonnie D. Shealy  
1901 Main Street, Suite 1200  
PO Box 944  
Columbia, SC 29202  
Telephone: (803) 779-8900  
(803) 227-1102 direct  
Fax: (803) 252-0724  
(803) 744-1551 direct  
Email: [bshealy@robinsonlaw.com](mailto:bshealy@robinsonlaw.com)

With copy to

Anita Taff-Rice  
1547 Palos Verdes, # 298  
Walnut Creek, CA 94597  
Telephone: (415) 699-7885  
Facsimile: (925) 274-0988  
Email: [anita@icommlaw.com](mailto:anita@icommlaw.com)

**A. Description of Confidential Information.**

3. The Application requires ExteNet to disclose evidence of financial fitness through the submission of documentation of its financial resources and ability to provide the requested service. In conformity with this requirement, the Applicant submits its audited financial statement. These documents contain highly confidential and strictly proprietary information, the public disclosure of which may result in direct, immediate

and substantial harm to the competitive position of the Applicant in South Carolina and elsewhere.

**B. Grounds for Claim of Confidentiality.**

4. Applicant is presently not legally required to prepare or submit protected financial statements, or any other financial information, to any public entity. As such, the financial statements attached as *Exhibit C* to the Application are not readily available to persons external to ExteNet except for regulatory and governmental agencies with jurisdiction over Applicant, and then only under seal.

5. Because the financial statements submitted by Applicant in support of the Application contain confidential and commercially-sensitive information from which its competitors may derive economic value, ExteNet seeks to protect such material from public disclosure. ExteNet derives independent economic value from the fact that significant, detailed and proprietary information regarding its financial structure and current financing activities is unknown to its competitors. Further, public disclosure of ExteNet's financial information could harm ExteNet's ability to raise capital from private sources, who often wish their investments to remain anonymous. As such, the Company's financial statements are a "trade secret" as that term is used in South Carolina Trade Secrets Act. S.C. Code Section 39-8-20(5). Given this fact, the disclosure of this information could provide existing and potential competitors, including institutional calling services providers in South Carolina, as well as in other states in which Applicant provides or intends to provide telecommunications service, with an unfair and undeserved competitive advantage.

6. ExteNet clarifies herein that its request for protection is narrow, as it seeks

only to protect the documents attached as *Exhibit C* to the Application from public disclosure. ExteNet is not seeking protection of any type for those reports Applicant is required to file with the Office of Regulatory Staff (“ORS”). Should the relief sought in the Application be granted, the Annual Report Form, Gross Receipts Report, and Universal Service Fund Worksheet (as applicable) will be filed publicly.

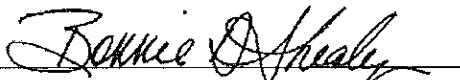
### **CONCLUSION**

7. The financial information included in support of Applicant, for which Confidential Treatment is sought, is both proprietary and competitively-sensitive. The substantial and direct harm that could be caused to ExteNet as a result of any disclosure is real and not speculative. Moreover, to date, no other jurisdiction or governmental agency has required ExteNet to make this information available to the public. For all these reasons, the financial statements attached as *Exhibit C* to the Application should be protected from public disclosure by the Commission.

WHEREFORE, ExteNet Systems, Inc. respectfully requests that the Public Service Commission of South Carolina grant this Motion for Protective Treatment with respect to the financial statements attached as *Exhibit C* to the Application for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange and Interexchange Telecommunication Services in the State of South Carolina and file it *under seal* as Confidential in this proceeding.

Dated this 16<sup>th</sup> day of May, 2012.

Robinson, McFadden & Moore, P.C.

By: 

Bonnie D. Shealy  
1901 Main Street, Suite 1200  
P.O. Box 944  
Columbia, SC 29202  
Telephone: (803) 779-8900  
Fax: (803) 252-0724  
bshealy@robinsonlaw.com

Anita Taff-Rice  
iCommLaw  
1547 Palos Verdes, # 298  
Walnut Creek, CA 94597  
Telephone: (415) 699-7885  
Facsimile: (925) 274-0988

Counsel for ExteNet Systems, Inc.

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OF SOUTH CAROLINA**

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ExteNet Systems, Inc.	)	Docket Number: _____
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in the State of South Carolina, and for	)	
Flexible Regulation	)	

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**Exhibit C**

**Confidential and Proprietary**

**Audited Financial Statement for  
Year Ending December 31, 2010**

**And**

**Unaudited Financial Statements for  
Year Ending December 31, 2011**

**Filed Separately Under Seal**